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UNITED NATIONS DEVELOPMENT PROGRAMME

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ENGLISH

APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF URUGUAY

IPF:(1992-96) $ 4 728 000

(URU/92/001) - Technical Co-operation for the Social Investment Programme (PRIS)

Date of approval by the AC:1/	5 March 1992
Expected duration:	16 months
Proposed executing agency:	Government
Government implementing agency:	Planning and Budget Office
Government cost sharing:	$ 2 580 000
Total UNDP budget:	$ 2 580 000

Project background

Poverty eradication and the strengthening of government capacity to streamline the social budgets has been identified by the Government of Uruguay as one of the three concentration areas to be given particular attention during the Fifth Cycle due to the deterioration of social indicators in the country which has deprived it of its traditional status as a country with social and equity conditions superior to many developed countries.

The reason for the strategic importance given to the theme of rationalization of the programmes particularly in the education, health, and nutritional sector is twofold. Considering that its macroeconomic policies implicates fiscal adjustments in order to achieve a sound basis for sustained economic growth, the Government has decided to rationalize and reallocate resources earmarked for the social sector. This sector has been characterized by inefficient performance of public social service institutions, limited systematic information on the needs of the critically poor, lack of adequate monitoring and evaluation systems for social projects and programmes, insufficient targeting of public expenditures towards the critically poor, and lack of co-ordination between publicly and privately funded systems.

With the purpose of rectifying these shortcomings the Government requested in 1990 UNDP to provide technical co-operation for the creation of a Social Investment Programme (PRIS), directly ascribed to the Presidency as the principal Governmental instrument for streamlining the social policies. The InterAmerican Development Bank (IDB) has likewise been providing critical external support to the PRIS through the recently approved loan of (US)$ 36 million to finance high priority investment projects in the health and education sectors.

The proposed project is an expansion of the initial phase financed by the project

1/ This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.

(URU/90/001) which was instrumental in organizing and initially training in the PRIS an interdisciplinary team of technical staff which have gained valuable experience in the gathering, analysis and dissemination of data vital for the design and execution of social policies.

Description of project

The development objective of the project is to strengthen national capacities in the framework of PRIS for the streamlining of social policies that will result in a rational and coherent allocation of resources in priority areas of the social sector which have been defined as education, health and nutrition.

The strategy proposed for resource allocation relies on the one hand on focussing more explicitly on the truly needing strata of the Uruguayan society and on the other, on decentralization of functions as well as increasing participation from the private sector in service delivery.

The immediate objectives of the project are to: (a) design and put into operation an information system and new administrative procedures for the various social programmes of the Government; (b) install the capacity that will improve the impact of the social expenditure in the health, nutrition and education sectors; and (c) involve the private sector in the planning and delivery of social services in the health,education and nutrition sectors to increase coverage to truly needed strata, and simultaneously contain costs.

The principal outputs foreseen to achieve these objectives are: (1) an information system for the social programmes, designed and put into use; (2) an effective reallocation of public expenditures in the social sectors; and (3) proposals and recommendations to the appropriate authorities over required structural and institutional changes.

Inputs

UNDP will provide one chief technical adviser (16 man-months), three international experts in each of the subprogrammes (42 man-months), international consultants and health scientists for the technical tasks related to each of the subprogrammes (23 man-months); national consultants and experts in health, nutrition, education and programming (714 man-months); short-term fellowships; and equipment including three vehicles, communications and computer hard/software.

Financial data

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Personnel	2 322 400
Training	120 000
Equipment	90 000
Miscellaneous	47 600
Total	2 580 000

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